

EXHIBIT 2

**eCLINICALWORKS® SOFTWARE LICENSE AND SUPPORT UP FRONT AGREEMENT
ELECTRONIC MEDICAL RECORDS AND PRACTICE MANAGEMENT
4 NAMED PROVIDERS**

Changing from Reseller, Intelmed, to eCW Direct effective 11-1-09

eClinicalWorks
Westboro Executive Park
112 Turnpike Road Suite 200
Westboro, MA 01581
Phone: 508-836-2700 Fax: 508-836-4466

CUSTOMER NAME: North County Medical Associates
CUSTOMER ADDRESS: 3998 Vista Way, Suite E
Oceanside, CA 92056
CUSTOMER TEL/FAX: (760) 945-1894
CONTACT NAME: Perrin Curran, M.D.

Effective Date: TBD **Initial Term:** 12 months from Effective Date
This agreement is valid for 90 days from October 26, 2009. If agreement hasn't been signed within 90 days of issuance, please contact Sales at eClinicalWorks for a new agreement.

1. SOFTWARE PRODUCTS

Licensed Software Products:

Products	Functionality
eClinicalWorks 9.0 Product Suite	EMR Package and Integrated Practice Management Package to manage the Front Office, Mid Office and Back Office
<u>Functionality included with the Integrated Front Office, Mid Office, Back Office and Interface components</u>	
1. Front Office Package includes	<ul style="list-style-type: none"> • Appointment Scheduling • Telephonic Triage • Referral Management • Office Messaging and Workflow • Patient Management <ul style="list-style-type: none"> ◦ Demographics ◦ Insurance • Document Generation <ul style="list-style-type: none"> ◦ Letters creation and Microsoft Word Mail Merge ◦ Document Scanning and Archiving • Integrated Scan, Digital Image, Digital Audio file interface
2. EMR Package (Mid Office)	<ul style="list-style-type: none"> • Electronic Medical Records (S.O.A.P.) • Prescription Management • Protocol Alerts <ul style="list-style-type: none"> ◦ Immunization and Reminders ◦ Lab and Diagnostics Imaging Reminders • ACPOE <ul style="list-style-type: none"> ◦ Prescriptions, Labs, Diagnostics Imaging • Growth and clinical analysis Charts • E&M Coding Advisor • Clinical Analysis Reports • Super Bill, Reports
3. Billing Package (Back Office)	<ul style="list-style-type: none"> • Charge Capture (ICD and CPT) • Claims Management • Receivables Management • Patient Statements • Clearing House connectivity • Financial Analysis Reports
4. Document Management Package	<ul style="list-style-type: none"> • Scan and archival of documents • Lab Reports • Consult Notes • Referrals • All Patient Documents • HIPAA letters, etc

2. UP FRONT LICENSE FEE**License Structure:**

Products	Functionality
eClinicalWorks 8.0 Integrated Front-Office, EMR (Mid-Office), Back-Office and External Interfaces suite	
1. Number of Providers	<ul style="list-style-type: none"> Four FTE Providers <ol style="list-style-type: none"> Perrin J. Curran, M.D. Michelle Gonzales, M.D. Ryan Stewart, MD Andres Zimmermann, M.D
2. Perpetual License Fee	<p>License Fee</p> <ul style="list-style-type: none"> \$25,000 + applicable state sales tax Fax software included <u>at no additional charge</u> Scanning software included <u>at no additional charge</u> No additional cost for eClinicalWorks software per workstation <p>Payment Terms</p> <p>NO LICENSE FEE DUE FOR THE FIRST YEAR OF RESIDENT INTERNSHIP. ADDITIONAL LICENSES ARE NEEDED AND MAY BE PURCHASED DIRECTLY FROM SURESCRIPTS PER FTE PROVIDER.</p> <ul style="list-style-type: none"> It is recommended that payments can be processed thru Authorized Direct Payment Form or ACH in Exhibit A of this agreement. Checks and Credit Card are also accepted as form of payment to eClinicalWorks.
3. Maintenance Fee: Product upgrades and content usage for drug database and Drug Interaction checks and continued interface with medical devices & Lab Interfaces is required.	<ul style="list-style-type: none"> 18% of license fee per year required billed quarterly
4. Support Fee	<ul style="list-style-type: none"> \$600 per provider per year required billed quarterly
5. Installation, Training and Implementation	<ul style="list-style-type: none"> If additional installation is needed please contact eClinicalWorks at 508-836-3663 - \$100 per hour/min. 1 hour No additional training required at this time. If additional training is needed, please contact eCW at 508-836-3663 <ul style="list-style-type: none"> * Onsite: \$750 per day + Travel Expenses + airfare * Remote: \$100 per hour/minimum 1 hour
6. e-Prescribing/Formulary checking	<p>Includes</p> <ul style="list-style-type: none"> E-Prescribing provided thru SureScripts <ul style="list-style-type: none"> Client must complete Form A, and attach with signed agreement in order to be enrolled. Formulary checking provided thru RxHub <p>Cost</p> <ul style="list-style-type: none"> \$25.00 per month per provider

FEES AND PAYMENT TERMS

- 2.1 Customer will access the licensed Products subject to the terms and conditions stated herein subject to payment of the following License Fee.

License Structure:

- **DEFINITIONS**

"Providers" mean those Physicians, Nurse Practitioners, Physician Assistants, Audiologists, Optometrists, Physical Therapists, Music Therapist, Speech Therapists, Massage Therapists, Chiropractors, Anesthesiologists, Psychologists, Dentists, Hygienists, Licensed Social Workers, Midwife, Nutritionists, Dietitians, Counselors, Mental Health Practitioners, Neurophysiologists, and Podiatrists employed by or under contract with Customer to provide services within the medical field. The term Provider shall not include Customer personnel employed by or under contract with Customer as office managers, secretaries, or other administrative staff, or Nurses (other than Nurse Practitioners), and (hereinafter referred to as "Customer Personnel"). For any category of Customer staff not identified above, eClinicalWorks and Customer shall agree in writing as to who is a Provider.

The "Licensed" or "Registered" Users are those individuals who have paid the licensed fee. All Providers shall be considered a "Licensed" or "Registered" user.

The "License Fee" is the Up Front fee charged to each Licensed User.

"Products" means the Licensed Software Products.

The "Effective Date" means the execution date of this Software License and Support Agreement.

The "Initial Term" means (12) months from the effective date.

The "Annual SMS" means (Support and Maintenance), includes telephone support and product upgrades and content usage for drug database and Drug Interaction checks

- 2.2 The Maintenance Fee includes maintaining and improving the functionality of the Products with periodic upgrades, and maintaining the functionality of the drug and billing-code databases (ICD-9 and CPT4) with period upgrades. The Support Fee includes telephone and online support of the Products (see below: Services to Be Provided). eClinicalWorks may increase the Support and Maintenance Service fees (SMS) with the annual SMS Renewal, provided Customer receives at least sixty (60) days prior written notice of such increase. In no event will the SMS Fee (i) increase more frequently than annually, and (ii) increase more than five percent (5%) over the previous year's fees.
- 2.3 Subscription for Services. The fee for subscribing to the Services ("License Fee") is set forth above. The License Fee shall be determined on the basis of the number of Registered Providers authorized to use the Products, each of whom shall be registered (each, a "Registered User.") The Products may contain embedded controls limiting user log-on to the number of Registered Providers as such counters may interfere with use of the Products beyond the number of Registered Providers licensed. Office managers, secretaries and Nurses (Not Nurse Practitioners) practicing directly in conjunction with a licensed provider do not require a separate license. The amounts payable shall be due and payable on the date specified in this Agreement or if not specified then within thirty (30) days of receipt of invoice there fore payment must be made in U.S. Dollars. eClinicalWorks will assess Customer a late payment charge on any amount which remains unpaid thirty (30) days after it is due, computed at the rate of one and one-half percent (1½%) per month or the highest allowable by law, whichever is lower, on the unpaid amount for every month the amount remains unpaid. All payments will be made without setoff, counterclaim, recourse or other defense. Late payment charge will be waived when customer withholds payments due to dissatisfaction with current activity on historical service requests. Historical service requests will be defined as outstanding complaints or requests concerning software functionality with the following criteria: eClinicalWorks have known of the issue for more than two months, the issue affects core functionality of the practice, the customer has followed all recommendations of eClinicalWorks concerning software use and specifically concerning the outstanding service issue, System cannot function or any suggested alternative has drastic impact on the productivity.

- 2.4 **License Fee Changes:** eClinicalWorks understands and agrees that the Software License is owned by Customer's corporation, not any individual users. If Customer adds one or more Registered Users to its practice, the software counters shall be adjusted to permit such Registered Users to use the Software, upon payment of additional License Fees at the then-current rate, plus SMS fees calculated at the then-current rate for additional providers, and pro-rated for the applicable portion of the year in which the provider(s) is added. If Customer loses one or more Registered Users, there shall be no change in the License Fees.
- 2.5 Installation and Training Fee are payable in accordance with the fee schedule specified on page 2.

3. TERMS AND CONDITIONS

Customer's use of the licensed Software is subject to the following:

- 3.1 **General.** Subject to the terms and conditions of this Agreement, eClinicalWorks grants and Customer accepts a non-exclusive, non-transferable, license for the Registered Users to access and use the functionality of the Software during the term of this Agreement. The Customer shall not permit any other person or entity to access or use the Software.
- 3.2 **Customer Modifications and Enhancements.** Customer may not make any modifications or enhancements to the Software without eClinicalWorks prior written consent.
- 3.3 **Proper Use of Software.** The Customer acknowledges that the continued integrity of the Software and eClinicalWorks' performance of its obligations described in this Agreement are dependent upon Customer's use of the Software in accordance with the documentation provided to Customer and the terms and conditions of this Agreement.
- 3.4 **OWNERSHIP AND PROPRIETARY RIGHTS.** Customer may not attempt to sell, sublicense, lease, permit, rent or transfer in any way whatsoever the Software. Customer agrees that it will not, at any time, without the prior written consent of eClinicalWorks, decompile, disassemble or reverse engineer any software included within the Software, including without limitation the applications, to develop functionally similar Software or permit any third party to do any of the foregoing. Customer agrees to not grant access to any 3rd party for any purpose without the prior written consent of eClinicalWorks.
- 3.5 eClinicalWorks shall indemnify, defend, and hold Customer harmless from any action against Customer to the extent that it is based on an allegation that the Software has infringed an intellectual property right or trade secret and pay those damages or costs related to the settlement of such action or finally awarded against Customer in such action, including but not limited to attorney's fees, provided that, (a) Customer promptly notifies eClinicalWorks of such action, (b) gives eClinicalWorks full authority, information and assistance to defend such claim, and (c) gives eClinicalWorks control of the defense of such claim.
- 3.6 **OWNERSHIP OF DATA.** All the patient demographics and medical records created by this Software will be solely owned by the Customer.

To the extent required by the Health Insurance Portability and Accountability Act of 1996 and regulations related to privacy promulgated there under (the "Privacy Standard"), and notwithstanding anything to the contrary herein, eClinicalWorks will maintain the confidentiality of Protected Health Information or PHI (as defined by the Privacy Standard) made available to or obtained by eClinicalWorks as a result of this Agreement and will comply with applicable requirements of the Privacy Standard. Specifically, eClinicalWorks will:

- a. Not use or further disclose PHI other than as permitted or required by this Agreement or as required by law (as such term is defined by the Privacy Standard);
- b. Use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement;
- c. Report to Customer any use or disclosure of PHI not provided for by this Agreement of which eClinicalWorks become aware;

- d. Ensure that any agent, including a subcontractor to whom eClinicalWorks provides PHI received from, or created or received by Customer on behalf of, Customer agrees in writing to the provisions of this Agreement;
 - e. Mitigate, to the extent practicable, the harmful effect of any use or disclosure of PHI not permitted by this Agreement;
 - f. Upon expiration or termination of this Agreement, return to Customer or destroy all PHI received from, or created or received on behalf of, Customer (including all copies thereof) then in eClinicalWorks possession or under its control; or if, return or destruction is not feasible, provide Customer with written notice in which eClinicalWorks describes why return or destruction is not feasible and agree in writing to extend the protections of this Section to the PHI and limit further uses and disclosures to those purposes that make return or destruction infeasible.
 - g. eClinicalWorks agrees that this Agreement may be amended from time to time if necessary to comply with HIPAA. The requirements of this Section will survive this Agreement.
- 3.7 Customer is responsible for all hardware and network to be installed and set up properly prior to eClinicalWorks software installation. Customer is responsible for any delays due to network set up and will result in rescheduling of install and training date and travel arrangements. Customer will incur any expenses involved with having to reschedule install and training dates.
- 3.8 Sales tax will be charged unless a sales tax exemption form is presented.

4. SERVICES TO BE PROVIDED

- 4.1 eClinicalWorks shall provide Customer telephone support for the Software during business hours, which are 8:00 a.m. to 8:00 p.m. Eastern Standard Time, Monday through Friday, excluding holidays (the "Business Hours"). For all Urgent calls, eClinicalWorks shall provide Customer telephone support for the Software during the hours of 6:00 a.m. to 12:00am (midnight) Eastern Standard Time, Monday through Friday, excluding holidays. eClinicalWorks is not responsible for issues related to Customer's computer or internal and external computer network.
- 4.2 Schedule. eClinicalWorks and Customer shall agree on an Implementation Schedule, including dates for Customer's hardware purchasing and installation, eClinicalWorks' Software installation, data migration, Customer training, creation of lab interfaces, and a 'go live' date to for Customer to begin use of the Software, which may be either partial or full use of the Software.
- 4.3 Customer will receive any available Upgrades, without additional fee as long as the SMS agreement is in effect.

5. WARRANTIES

- 5.1 eClinicalWorks will maintain the confidentiality of information regarding any physician or patient record.
- 5.2 eClinicalWorks warrants that it either owns or has the right to license the Services hereunder. eClinicalWorks warrants that the Services provided hereunder will be performed in a competent and workmanlike manner, which meets or exceeds industry standards. eClinicalWorks guarantees the integrity of data at Customer's location as long as any 3rd party has not modified the installed application.

- 5.3 eClinicalWorks represents and warrants that eClinicalWorks will update Products (including, but not limited to, content usage for drug database and drug interaction checks, E&M Coding Advisor) as necessary to ensure that such Product complies with the most current federal or state requirements."
- 5.4 Other than as expressly set forth above, eClinicalWorks does not make any express or implied warranties, conditions, or representations to the customer, any of its affiliates or any other party with respect to the applications, services or any products, documentation, or any other services or works of authorship provided hereunder or otherwise regarding this agreement, any implied warranty or condition of merchantability, no infringement, or fitness for a particular purpose are expressly excluded and disclaimed.
- 5.5 **LIMITATION OF LIABILITY. ECLINICALWORKS'S LIABILITY TO CUSTOMER FOR ANY LOSSES OR INDIRECT DAMAGES, IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE LIMITED TO THOSE ACTUAL AND DIRECT DAMAGES WHICH ARE REASONABLY INCURRED BY CUSTOMER AND SHALL NOT EXCEED THE FEES PAID BY CUSTOMER WITH RESPECT TO THE SERVICES GIVING RISE TO THE LIABILITY OVER THE MONTHS IN WHICH LIABILITY OCCURRED NOT TO EXCEED TWELVE (12) MONTHS. ECLINICALWORKS WILL NOT BE LIABLE FOR: (I) SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOSS OF DATA, LOST PROFITS, LOSS OF GOODWILL IN ANY WAY ARISING FROM OR RELATING TO THIS AGREEMENT, THE APPLICATIONS OR SERVICES, EVEN IF ECLINICALWORKS HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES OCCURRING.**
- 5.6 If the customer considers litigation as recourse for dispute resolution, customer will be responsible for all legal fees and expenses incurred by eClinicalWorks to defend or resolve the dispute.
- 5.7 No substitute for Professional Judgement. Notwithstanding anything to the contrary contained herein, Customer and Authorized Users acknowledge that the Software is not intended as a substitute for professional medical judgment and eClinicalWorks shall have no indemnification obligations related to any failure to exercise such professional judgment. In the event that the software or any report or information generated by the software is used in connection with any diagnosis or treatment by you and/or any of Customer's employees, agents, representatives, and the like, Customer agrees to accept all responsibilities in connection therewith, including responsibility for injury, damage, and/or loss related to such diagnosis or treatment, irrespective of whether such injury, damage and/or loss results from your use of the Software.
- 5.8 During the term of the agreement and one year after the termination of this agreement, the customer agrees not to offer employment to or to hire any eClinicalWorks employee without the prior written consent of eClinicalWorks.

6. TERMS AND TERMINATION

- 6.1 Term of License. The term of this Agreement is perpetual and shall begin as of the date executed by eClinicalWorks and shall continue in effect unless earlier terminated as provided below.
- 6.2 Automatic Renewal of SMS. Upon expiration of the first year, the SMS shall automatically renew for successive one (1) year periods unless Customer gives eClinicalWorks prior written notice of the its intent to cease subscribing to the SMS, at least thirty (30) days prior to the expiration of annual anniversary. If Customer defaults in its payments for the SMS, or causes its SMS subscription to expire, Customer has the right to continue using the Software at its own risk, without benefit of upgrades or support, and agrees that eClinicalWorks shall not be liable or responsible for any errors or problems with the Software and/or its associated third-party data from that time forward. Customer understands and agrees that the Drug Database, CPT, ICD codes and Lab and Device Interfaces cannot be used if the Maintenance and Support Agreement is not in effect.

7. MISCELLANY

- 7.1 **Assignment.** This Agreement shall bind and insure to the benefit of the parties hereto and their respective heirs, successors, and assigns; provided, however, that such assignment shall not relieve either party of its obligations to the other as provided herein.
- 7.2 **Force Majeure.** The obligations of the respective parties shall be abated for so long as, and to the extent that, their performance is rendered commercially impracticable by causes and events beyond the reasonable control of the affected party, including without limitation fires, floods, acts of God, strikes, unavailability or delays of materials or transportation, war, revolution, insurrection, acts of the public enemy, governmental regulation or prohibition. The party claiming abatement of obligation hereunder shall reasonably notify the other of the cause or event giving rise to such claim, and shall take all reasonable steps to limit the effect and duration of such cause or event.
- 7.3 **Headings.** The headings in this Agreement are for information and convenience only and shall not affect the construction thereof.
- 7.4 **Entire Agreement.** This Agreement sets forth the entire agreement between eClinicalWorks and Customer with respect to the subject matter hereof, and no modification, amendment, waiver, termination, or discharge of this Agreement or any provisions hereof shall be binding upon either party unless confirmed by written instrument signed by both parties.
- 7.5 **Notices.** Any notices required to be given by one party to another hereunder shall be deemed duly given when sent in writing, postage prepaid, via certified or registered mail, with return receipt, or delivered by hand, and addressed to the appropriate party at the addresses above or to such other address as either party shall have designated in writing to the other. The specification of means for giving notice herein shall not preclude the use of other forms of written notice when in the context of their use they provide equal or greater effective actual notice to the receiving party than the means specified herein.
- 7.6 **Law and Severability.** This Agreement, its validity, construction, and effect shall be governed by the laws of the Commonwealth of Massachusetts. In the event that any part of this Agreement is declared to be void or unenforceable by a court having jurisdiction, the remainder of this Agreement shall continue in full force and effect with such void or unenforceable part thereof deleted there from.
- 7.7 **Dispute Resolution.** In the event of any dispute, the parties agree that the first recourse to resolution shall be by arbitration, and that no action at law shall be taken by either party previous to an unsuccessful resolution by arbitration. These provisions shall survive the termination of this agreement, regardless, of the cause of such termination.

9. CONTRACT EXECUTION

IN WITNESS WHEREOF, the respective authorized representative of each party has executed this Agreement, including any other applicable addenda or exhibits as specified herein, to be effective as of the date set forth above.

(Authorized Signature)

MICHELLE GONZALES, MD

(Name - Print or Type)

NCMT

(Customer Company - Print or Type)

11/10/09

(Date)

eClinicalWorks

(Authorized Signature)

M. Andrade

(Name - Print or Type)

eClinicalWorks

(Company - Print or Type)

11-12-09

(Date)